

# **Welfare-to-Work Vouchers: Partnerships to Success**

**Focus on Jobs/Lessons Learned  
HUD National Conference**

**February 23, 2000**



# National Best Practices

## A Time For Innovation

- »»» **Economic environment positive**
  - »»» Tight, dynamic, global labor markets
  - »»» Retention and replacement key issues
- »»» **Business feels commitment**
  - »»» Need for job ready--entry level workers
  - »»» Need for workers with high skills
  - »»» Need for workers who can continue to learn
- »»» **Workers have new opportunities**
  - »»» Increased responsibility for managing career
  - »»» Special populations facing new challenges
  - »»» Need for info about current and future labor markets
- »»» **Challenge to public sector & non-profits**

# **Workforce Development**

*Encompasses the needs of individuals & companies to ensure success in dynamic markets*

- **Transition to work**
- **Career path maintenance**
- **Return to the workforce**
- **Navigate job-to-job changes**

# **Workforce Development**

## **Understanding:**

- **Work**
- **Skills in demand**
- **How work is organized w/in companies**
- **Extended enterprises**
- **Alignments between systems preparing people for the workplace & companies that need skilled labor**

# **Workforce & Economic Development: Alignment**

- »»» Economic & Workforce development are increasingly intertwined**
- »»» Labor supply & quality are critical factors in business decisions**
- »»» To promote economic growth, the skills of current & future workers must be continually improved**

# Employability

*“Employability” means having the skills to attain and retain a job in a rapidly changing marketplace.*

## **Critical Skill Areas:**

*Academic (Communicate, Think, Learn)*

*Personal (Attitudes & Behaviors,  
Responsibility, Adaptability)*

*Teamwork (Work with Others)*



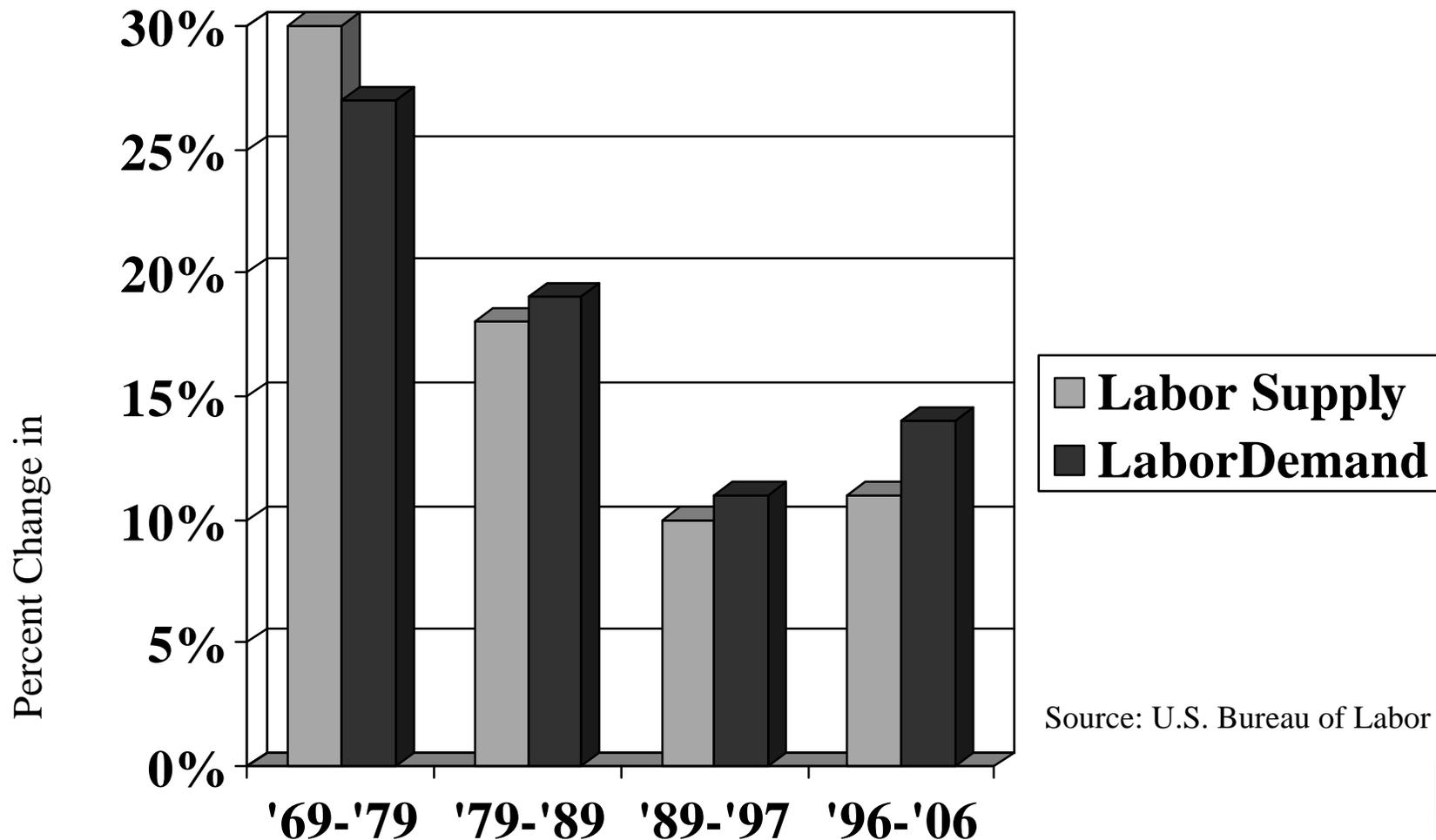
# Post Employment Support

## Key Elements:

- »»» Job Coaching
- »»» Post Employment Counseling
- »»» Mentoring
- »»» Child Care Assistance
- »»» Transportation Assistance
- »»» Education and Skill Building
- »»» Promotions & Opportunity



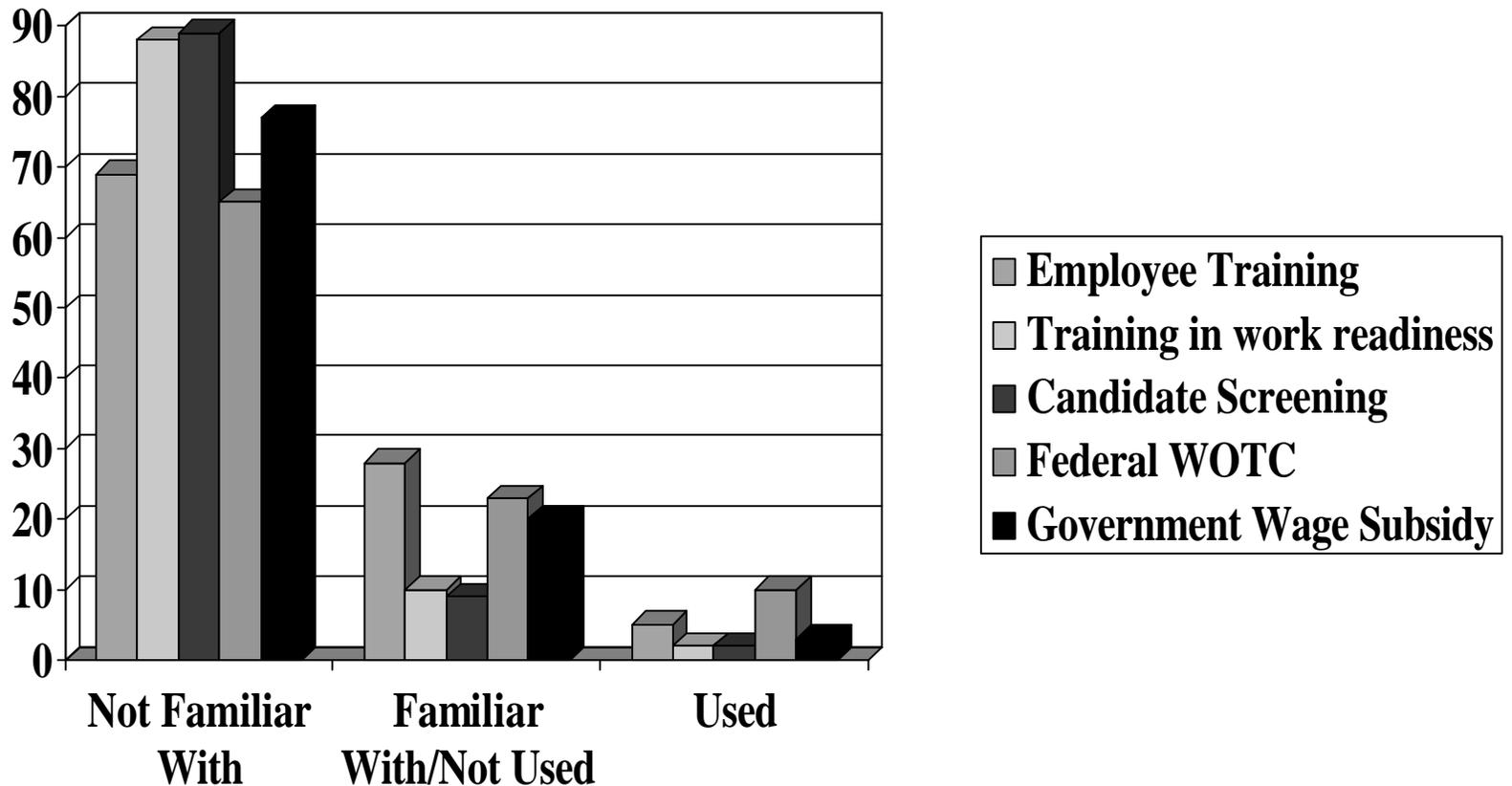
# Labor Demand Is Growing Faster Than Labor Supply



Source: U.S. Bureau of Labor Statistics



# Employers are Unfamiliar with Government Programs

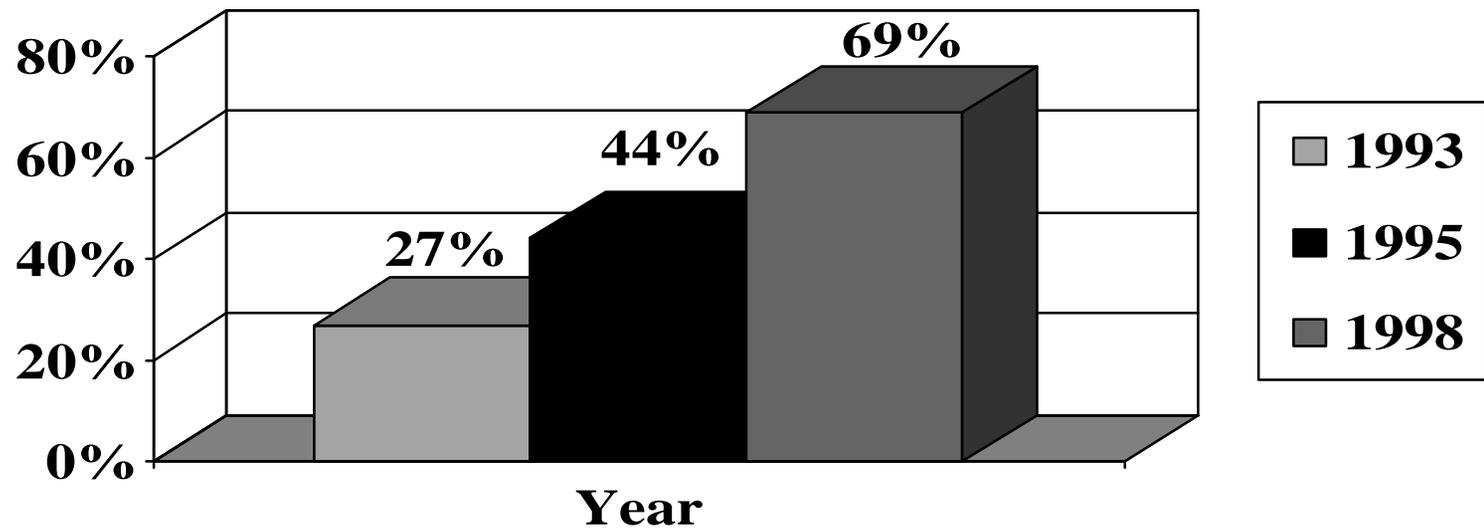


Source: ESRI, "Job Prospects for Welfare Recipients: Employers Speak Out," The Urban Institute.



# Lack of Skills Is A Barrier to Growth

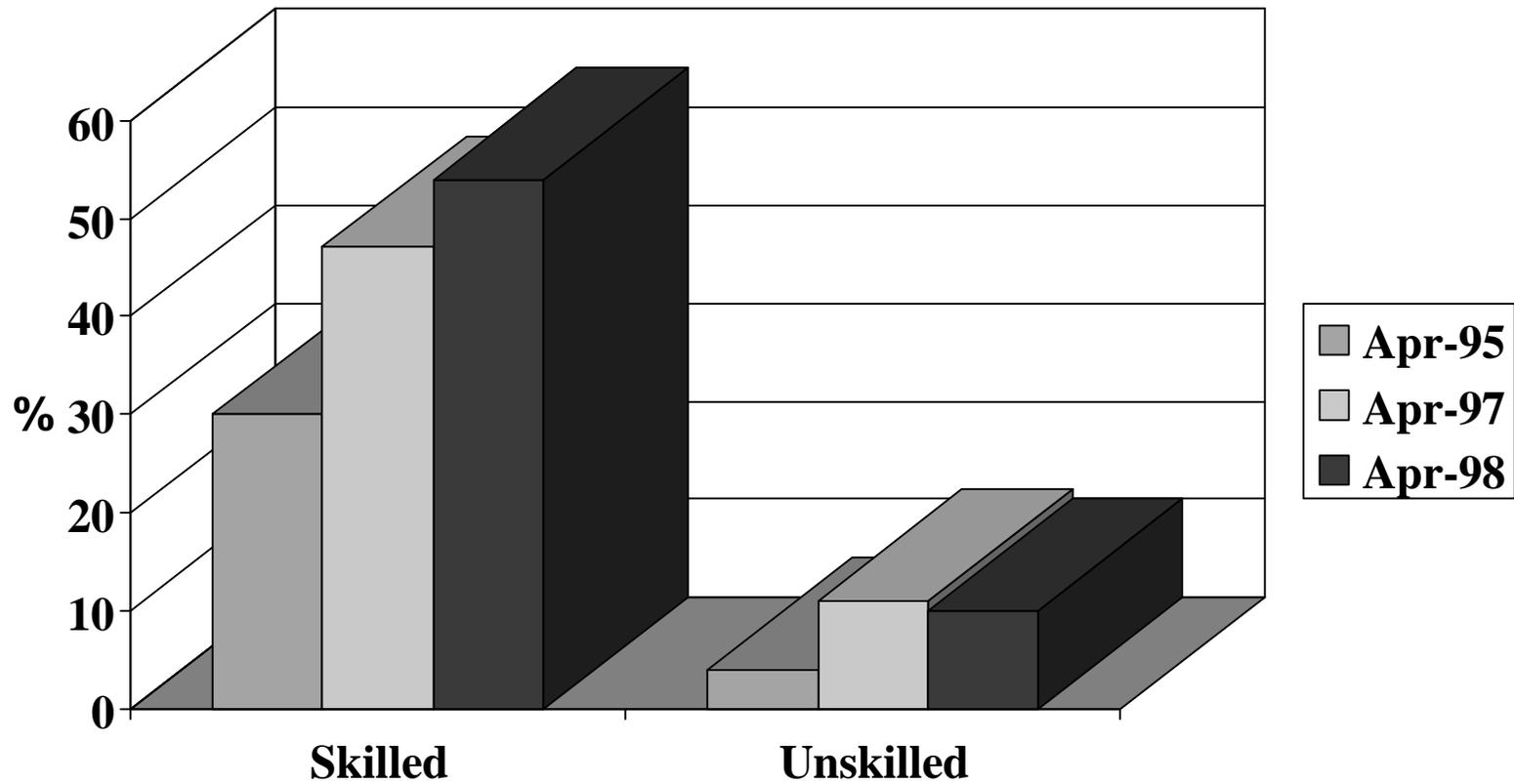
Percent of Companies Reporting that Skill Shortages Were A Barrier to Growth



Source: Coopers & Lybrand Trendsetter Barometer Survey



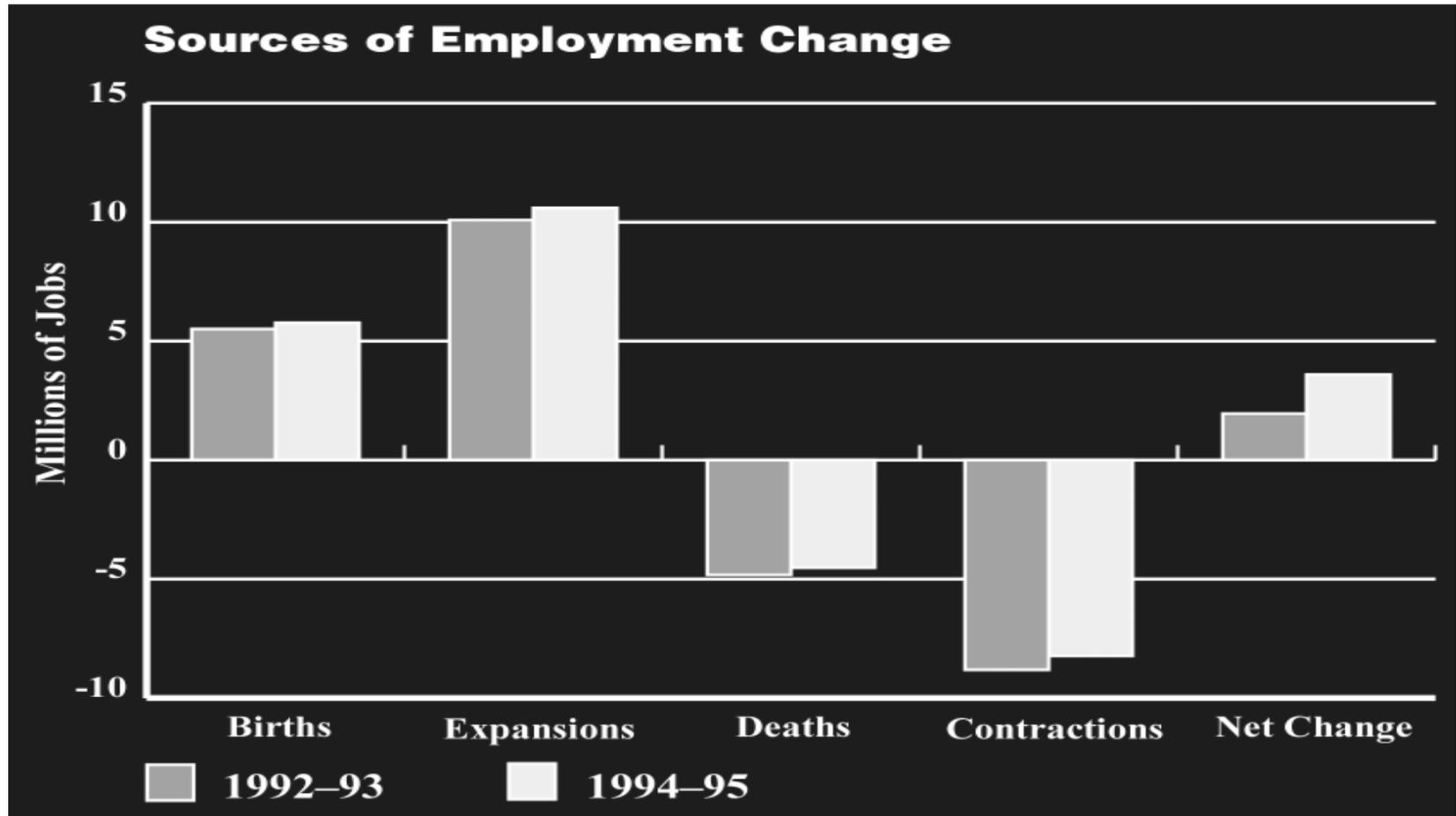
# Companies Reporting Worker Shortages



SOURCE: National Association of Business Economists



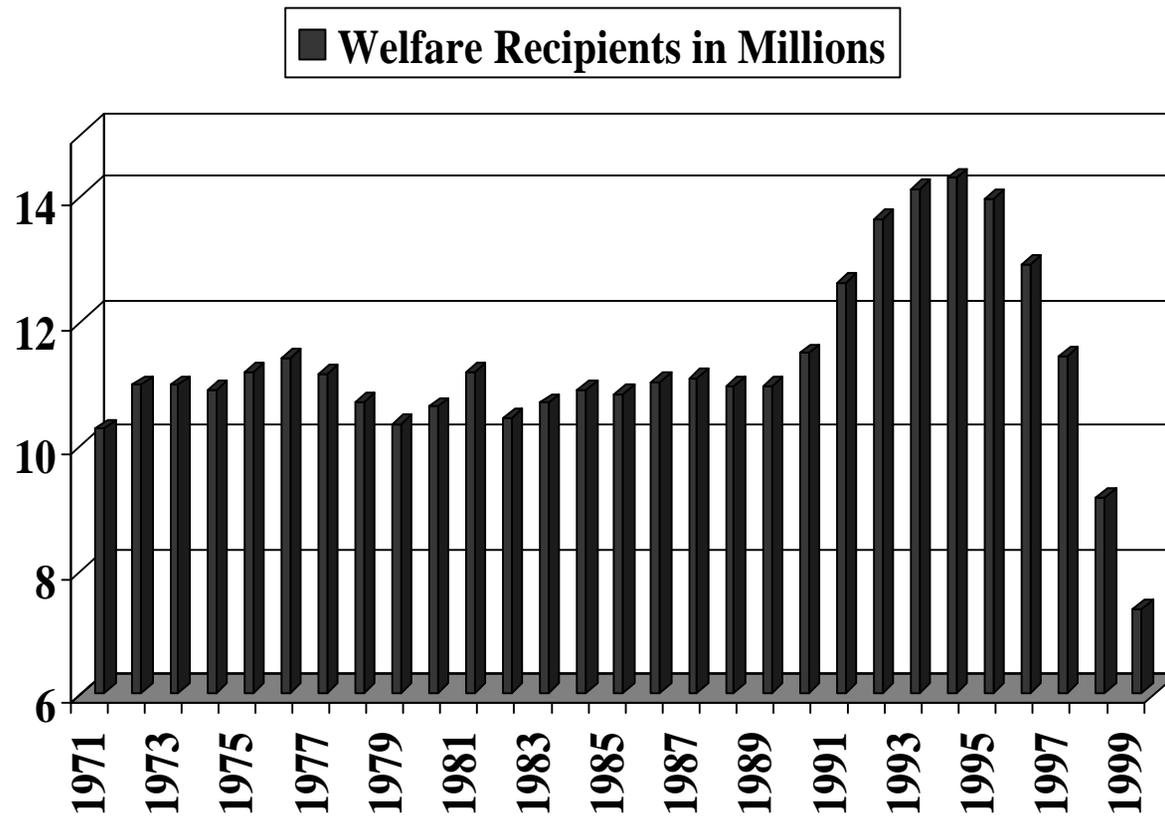
# The New Economy is Constantly Churning



Source PPI



# Total Number of Welfare Recipients, 1971-1999

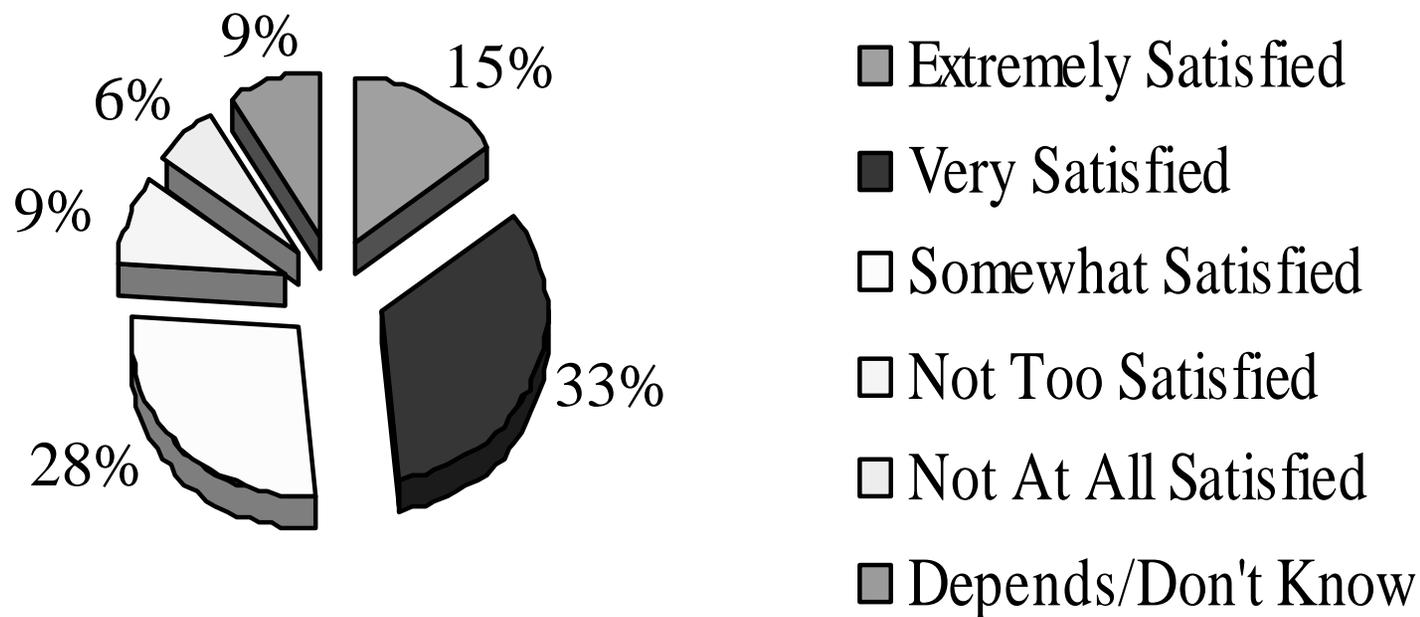


Source: US Dept of HHS



# Welfare Reform

## Employer Satisfaction With Former Welfare Clients' Job Performance



Source: ESRI, "Job Prospects for Welfare Recipients: Employers Speak Out." The Urban Institute.

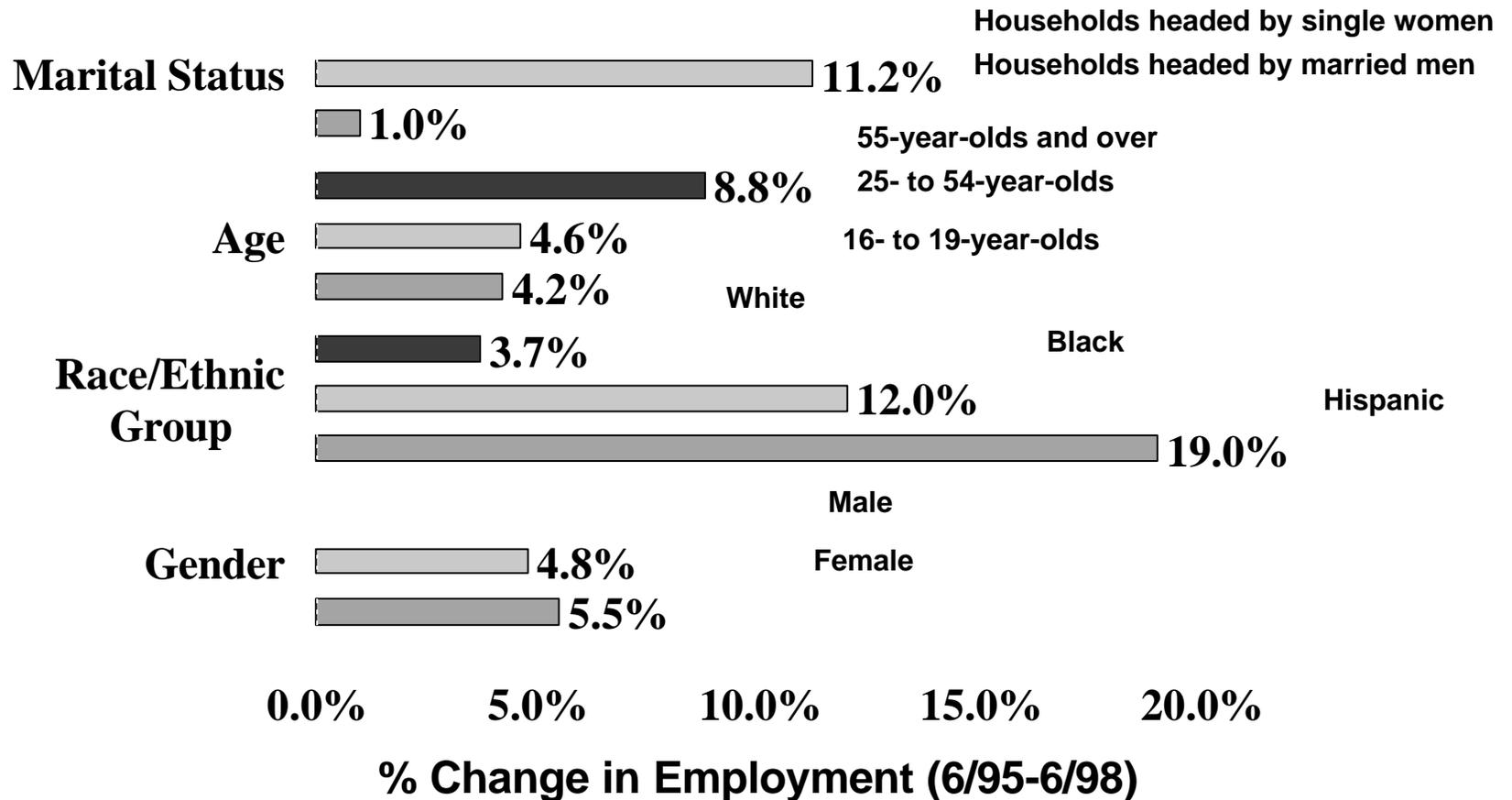


# Welfare-to-Work

## Welfare-to-Work opportunities

- »»» Decline in welfare roles leads to population with multiple barriers
- »»» Longer more intensive intervention strategies required
- »»» Federal competitive opportunities limited
- »»» TANF reserves at the state level are growing

# Strong Labor Market Benefits Different Areas of Labor Pool



Source: Employment and Earnings BLS



# The Changing Business Climate

- »»» One-third of the 1970 Fortune 500 were not on the 1983 Fortune 500.
- »»» One-third of the 1983 Fortune 500 were not on the 1990 Fortune 500.
- »»» 60% of the 1990 Fortune 500 were not on the 1995 Fortune 500.
- »»» The half-life of a software engineer is 2.5 years.
- »»» By the year 2000, 50% of the world's scientific and engineering knowledge will have been generated between 1993 and 2000.

# Technology & Knowledge: The Next Generation

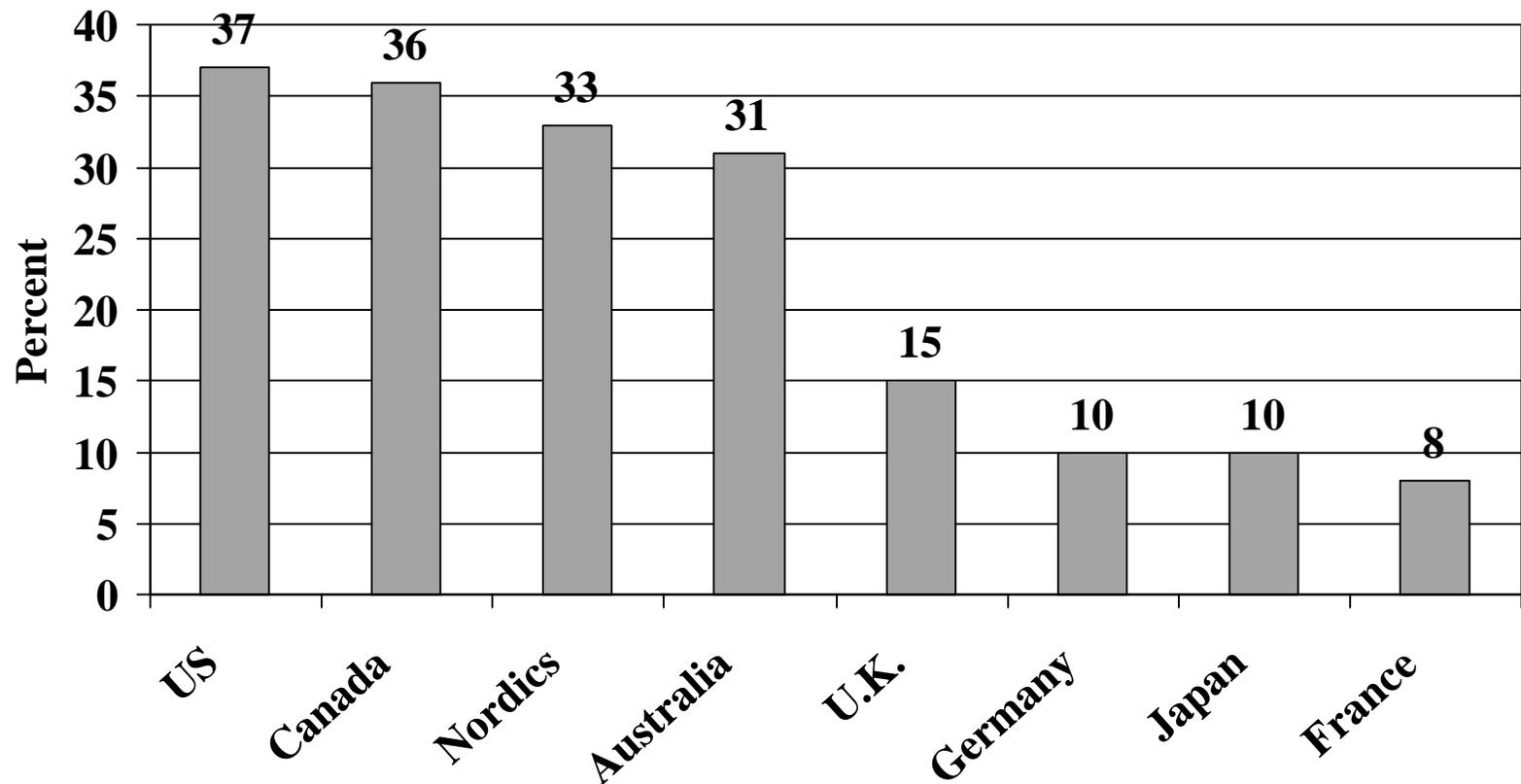


- »»» **The Distribution of Knowledge: Changing the Bandwidth and Content**
  - »»» New technologies will Increase Through Put by several orders of magnitude
- »»» **The Knowledge Content of Goods and Services:**
  - »»» America's GDP is 20 times higher than a Century ago, but weighs about the same
- »»» **Electronic Commerce Will Increasingly Become The Norm:**
  - »»» Traditional Geo-political boundaries become less relevant

# Technology & Knowledge: Education Providers

- »»» **Corporate Universities: 400 in 1989, over 1400 today:**
  - »»» **Motorola: strategic alliances**
  - »»» **Dell: 60-70% of classes on line**
- »»» **Virtual Learning: mega-universities**
  - »»» **Open University: over 200k students in 25 countries, 30k post baccalaureate students**
  - »»» **Phoenix University: 50k students in US in over 65 learning centers**

# Percent of Population Internet Access at Home or Work



Source: Dept. of Commerce,  
Electronic Commerce in the Digital Economy



# Free Ping Putter or Free Pizza, M&Ms or Heavy Metal

	Corporate	Software
Average Age	48 Years	34 Years
Majority Age	42 Years	30-39 Years
Average Tenure	16 years	2 Years
Skills Half Life	<5 Years	<2 Years
Loyalty	Company	Project
Workspace	Offices	Common team areas
Motivators	Pension	Founder stock
	On-site day care	On-site life
	Vacation	Sabbaticals
	Team Success	Impact
	Meetings	Telecommuting
	8-5	Flex/part time, job share
Key Skill	Specialization	Knowledge sponge
Image	Super tanker skipper	Fighter Pilots

Source: Motorola



# Goodwill's Mission

*“Actively strive to achieve the full participation in society of people with disabilities and other individuals with special needs by expanding their opportunities and occupational capabilities through a network of autonomous, nonprofit, community-based organizations providing services throughout the world in response to local needs.”*



# **Goodwill Industries International**

- »»» Fifth Largest Non-Profit in World**
- »»» Revenue: \$1.5B+ Employment: 75k+**
- »»» 183 Member Goodwills in US & Canada**
- »»» Over 1750 Retail Stores in US**
- »»» Affiliates in over 30 countries**
- »»» School-to-Career:**
  - »»» Over 60 programs**
  - »»» Reaching over 10,000 youth**



# For More Information

»»» **Jim Van Erden**

»»» **Vice President Workforce Development**

»»» **Goodwill Industries International**

»»» **301.530.6500-4500**

»»» **email: [vanerdenj@goodwill.org](mailto:vanerdenj@goodwill.org)**

»»» **<http://www.goodwill.org>**

